having fairly successful picnics in our county. We have our own little beer stand there fully equipped with 22 dozen glasses and 8 toasters. We have 10 signs around the county, we have made a three year contract with a sign company and we have paid off that and besides we still enjoy a nice little treasury—oh, not so much but about $900 for the treasury.

Now, if this is of any news to any of these local counties or state associations to make an example of it we are very glad to let them have it and work with them.

Mr. President: I just want to announce at this time again, we are going to give that carload of coal away so that the one that holds the lucky number must be in the room.

Our next speaker on the program is John Hicks, Secretary of the Cheese Makers Mutual Fire Insurance Company. I take great pleasure in introducing Mr. Hicks.

CHEESE FACTORY INSURANCE

By John Hicks

Mr. Chairman, Members of the Wisconsin Cheese Makers' Association, Ladies and Gentlemen: A year ago, at Sheboygan, I had the privilege of telling you the story of the beginning of the Cheese Makers Mutual Fire Insurance Co. We were then just organizing. You might say that the rennet has just been added to the milk. What the result was going to be was entirely unknown, although we did know, that under the auspices of the Wisconsin Cheese Makers Association, our plans were well laid.

At this time, I am pleased to report to you that the Cheese Makers Mutual has passed the period of uncertainty, and is acknowledged as a going concern by the industry, by the Insurance Department, and by other insurance companies.

Although our rates at this time are one-fifth to one-third less than stock company rates, our main purpose has been to give you insurance service. We try to write your fire insurance in such a manner that if a loss happens, the only thing to do is to arrive at the amount and send you a check.

The policy we use is the standard fire insurance policy of the State of Wisconsin. It is the same as used by all standard companies.

The intent of the policy is, of course, to pay your loss if you have one, but there are three groups of conditions under which the policy becomes void.

The first group of conditions will void your policy without any question. They consist of concealing or misrepresenting facts with intent to deceive; and of fraud or false swearing before or after a loss.

There is no need of taking time to discuss those points because we are not dealing with that class of people.

In the second group, the policy is void only if provision for the conditions is not made in the policy. These conditions pertain to ownership. An insurance company is entitled to complete knowledge
as to the ownership of the property it insures, and must be notified of any change of any kind with respect to ownership during the policy term. If your building stands on leased ground, you must have an endorsement to that effect on your policy. I have found several factories where that condition was not acknowledged and the cheese maker had been paying premiums for many years on insurance he could never collect. If you mortgage your property, if you take a partner or incorporate, or if there is any change whatsoever in ownership, except your death, your policy is void unless properly endorsed by the company.

Those are simple facts which it would seem anybody would accept; but some time ago, I was explaining them to a man and he came back flatly with the statement that he did not believe it. He said if he paid his premium, he should collect his insurance anyway.

He reminded me of a sailor who upon return from a voyage was telling of his exciting experiences. He said, one day in the south seas it was so hot that I took off all my clothes and went swimming. I was attacked by a great shark, and being hard pressed, I pulled my knife from my pocket and killed the shark. One of his listeners reminded him of having taken off his clothes before jumping into the water, and asked him how he could pull his knife from his pocket. The sailor became very sarcastic, saying, you don't want no yarn, you want an argument.

The third group of conditions affecting your insurance does not void the policy entirely, but only during the time that the conditions are effective. These conditions pertain to increase in hazard of your risk. The four most important are:

1. While the hazard is increased by any means within your control or knowledge. For instance, if you change from steam power to a gasoline engine, you have increased your hazard, and your insurance is void unless permission is given by the company.

2. While illuminating gas or vapor is generated on the premises, or while there are kept fire works, explosives, gasoline, gunpowder exceeding 25 pounds (you hunters watch out for that one), or kerosene oil exceeding 25 barrels. Those things void your policy during the time they are on your premises, unless permission is given.

3. If you operate between the hours of 10:00 P.M. and 5:00 A.M., or while you stop operating beyond a period of ten days. That is important. If you run your factory nights, or close down for more than ten days, you must have written permission from your insurance company.

4. While your building is vacant or unoccupied for more than ten days. The difference between a building being vacant or unoccupied is that when nobody is using the building, it is vacant; but when somebody is using it or living in it, but is away perhaps on a trip, then the building is unoccupied. Neither condition can exist beyond ten days without special permission.

All these points I have mentioned are in the printed portion of your policy, if it is the standard fire insurance policy of Wisconsin. We
invite you to take up with us any of these or other insurance questions whether you insure with us or not.

My next point is, when a fire happens. A fire is like an automobile accident; you do not realize its horror and terror until it happens to you. The night it happens, you have worked hard all day, and you sleep hard. You have not noticed where a hole has rusted through your smoke stack. You did not see the spark that blew out and now smolders on your rafter. That smoldering spark shimmering in the darkness of your boiler room brightens into a burning blaze. A flame appears, fed by inflammable material dried to tinder by the boiler heat of years. Your boiler room is a seething mass of fire beyond human control, creating its own draft, devouring in its diabolical fury everything in its path, rushing, roaring, shattering its way through your windows and up your stairs.

You are awakened by that crackling cacophony of screeching flame. You spring from bed. You gasp; you gag; you groan—My God, the children! You stumble, you stagger through the stifling suffocating smoke. You will never know all that happened, but by some whim of fate you were not marked for a tragedy greater than the destruction of your property. Finally, you find yourself with your family out in the snow watching your years of labor, your home, your possessions changing into smoke and ashes.

The fire marshall gets a report, cheese factory burns; cause of fire unknown.

Just another fire.

Would you not a thousand times rather have your mutual prevent that soul- rending experience than to pay you a loss? Is it not a thousand times better for us to dedicate ourselves to the principle of preventing fire?

If it seems to you sometimes that we harp too much on your stack clearance, stoves, disposal of ashes, electric wiring, fire extinguishers, cleanliness and good housekeeping, please remember that it is better for all of us to prevent a fire than to pay a loss.

On the other hand, if unavoidable misfortune should overtake you, you will find your mutual standing square behind you, willingly, cheerfully taking the burden of loss off your shoulders and paying you promptly in Uncle Sam's good cash.

You may be certain that the Cheese Makers Mutual is a permanent institution within your industry, although only nine months have passed since we got our license from the Insurance Department.

Many people ask us how, in such a short time, they could expect to receive protection from us equal to that of old established companies. There are three reasons why that is true.

First, the Wisconsin Cheese Makers Association built wisely and well in organizing the Mutual. They were certain that the Mutual was on a sound foundation.

Second, the leaders in your branch associations did splendid work in carrying out the plans of the state association. They developed a large volume of business.
Those two reasons were of course essential in the first place to having a mutual, and they lead to our third reason for making such splendid progress.

The third reason is the advice and help given us by our reinsurance companies. All fire insurance on any factory, except $500, is reinsured with the Millers Mutual of Alton, Illinois and the Western Millers Mutual of Kansas City. Their secretaries came up here, examined and approved our set-up, accepted our reinsurance and put their combined assets of over three million dollars behind our policies. Both companies have offered us the use of all their facilities, but I refer particularly to the Western Millers of Kansas City. Through their secretary, Mr. R. M. Rogers, they have given us the utmost in cooperation, even to the point of their check for $500 as the first subscription to our guaranty fund. The many years that Mr. Rogers has successfully operated the Western Millers has made him an outstanding national figure in the insurance business. He has shown enough interest in the cheese industry to come to this convention. He is in the audience and I am going to ask the chairman to call on Mr. Rogers and have him talk to you a few minutes, if he will. I thank you.

Mr. President: I take great pleasure in introducing to you Mr. Rogers.

ADDRESS

By Mr. R. M. Rogers

Mr. President, you are not going to hear a speech at this time. You have had a mighty good program and it has been very interesting to me. I would like to say just a word or two about your company. I have known Mr. Hicks for a good many years. He has a splendid reputation as an insurance man and he knows his business. That was our first inducement to take the re-insurance of the company.

I came up and met him again and had the pleasure of meeting your president and a number of the directors. Since that time I have had the pleasure of getting better acquainted with them. They are a mighty fine bunch of men. Your company is absolutely safe, I can tell you that, because it is run on a business basis, conservative. They are not taking chances at all and as long as you have got Mr. Hicks handling the company you need not worry.

I assure you I have enjoyed coming to this meeting and meeting many of you personally, and I am going to make it an annual visit after this. I thank you.

Mr. President: I take great pleasure in introducing Mr. W. V. Price, who will speak to you on the “Importance of Starter in Cheese Making.

THE IMPORTANCE OF STARTER IN CHEESE MAKING
By Walter V. Price

The starters commonly found in Wisconsin cheese factories are generally used for their acid or flavor producing properties. The acid