

THE SURPLUS LINE ASSOCIATION
OF CALIFORNIA

A. L. LATHROP
MANAGER

A. B. HERRICK
ASSISTANT MANAGER

50 CALIFORNIA STREET
SAN FRANCISCO 94111

TELEPHONE
(415) 986-0763

November 30, 1976

No. 354

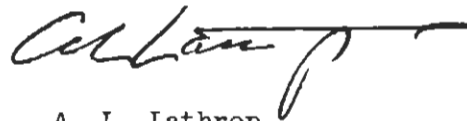
BULLETIN TO ALL MEMBERS:

Re: Products Liability Insurance
Request For Quotation

We have been requested by the Insurance Department to try to assist in finding a market for a corporation engaged in the manufacture of injectable pharmaceutical preparations.

Copy of the letter from Mr. R. H. Cook, Supervisor, Financial Analysis is attached, together with copies of the letters from Maurry Biological Company and from the broker, Ashbrook-Clevidence, Inc.

Any surplus line broker offering a market should contact Ashbrook-Clevidence.



A. L. Lathrop
Manager

DEPARTMENT OF INSURANCE

100 SOUTH COMMONWEALTH AVENUE

LOS ANGELES, CALIFORNIA 90005

(213) 736-2746

RECEIVED
NOV 23 1976
November 23, 1976

Surplus Line Association
50 California Street
San Francisco, California 94111

Attention: A. L. Lathrop, Manager

Gentlemen:

This department has received a request from an insured corporation engaged in the manufacture of injectable pharmaceutical preparations to assist them in locating product liability coverage. The previous carrier has discontinued writing that line. The insured's agent has searched the market including some surplus line brokers without success. I am enclosing copies of the correspondence to assist you in locating a market for this insured if such is possible.

Very truly yours,


R. H. COOK
Supervisor
Financial Analysis

RHC:tj
Attachments



MAURRY BIOLOGICAL CO., INC.

8109 SOUTH WESTERN AVENUE
LOS ANGELES, CALIF. 90047
(213) 759-1127

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DEPARTMENT OF INSURANCE
LOS ANGELES

November 16, 1976

Mr. Wesley Kinder, Insurance Commissioner
600 S. Commonwealth Ave.
Los Angeles, California

Dear Mr. Kinder:

We are desperately in need of help and are turning to you for whatever advise you may give us.

We are actively engaged in the manufacture of injectable pharmaceutical preparations and have been unable to locate a source for product liability insurance. Our former carrier has indicated they will not renew. Our insurance agent has been unable to find a firm who will insure pharmaceutical manufacturers.

Incidentally, this is through no fault of ours. Our performance record for the 30 years we have been in business is excellent. It just seems the companies are not interested in handling products liability. If we are sued, however, the future of our entire firm would be in jeopardy.

As you can well imagine, many of our accounts will refuse to do business with us if we are without coverage. This will eventually result in our loss of a substantial amount of our business. Either way, we are in a desperate situation.

Have you any suggestion?

Very truly yours,

MAURRY BIOLOGICAL CO., INC.


H.E. Maurry

HEM/cs

ASHBROOK-CLEVIDENCE, INC.

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Insurance for all Risks

DEPARTMENT OF INSURANCE

ONE WILSHIRE BUILDING
LOS ANGELES, CALIFORNIA 90017
624-4023

November 19, 1976

Mr. Robert Cook
California Department of Insurance
600 South Commonwealth Avenue
Los Angeles, California 90005

Re: Maurry Biological Co., Inc.

Dear Mr. Cook:

Thanks very much for your call and interest in my insured's problem.

I think your idea of bulletining the Surplus Lines Brokers' Association might discover a Broker with a solution to the problem. I think it would help to know that the insured has an annual sales level of \$1,000,000, that the current carrier, Minnehoma, is cancelling because they are no longer writing any Products Liability and, I have been told, no new business in California.

I have a completed Surplus Lines Brokers' Products Questionnaire and Catalog available to anyone who thinks they have a market and I would be very happy to tell any interested Brokers where we have already been in an effort to help them and save them time.

Both my insured and I thank you again for your interest.

Kindest regards,

ASHBROOK-CLEVIDENCE, INC.

T. O. Clevidence, Jr.

TOCjr:rem
cc: Maurry Biological Co.