



February 2005

Vol. 32 No. 6

**Seattle Claims Adjusters Association**

*"A professional organization dedicated to the ongoing education of the claims community.  
Providing an arena for member interaction and the sharing of resources."*

# There is still time to register!



March 11, 2005 • DoubleTree Hotel

18740 Pacific Highway South • Seattle, WA 98188

You should have received your registration brochure in the mail, but if you didn't, see our website and get registered NOW!

**Next Meeting of the SCAA**

**February 18, 2005**

The Swedish Club, 1920 Dexter Ave North, Seattle, WA

**Program**

**Charity Month**

**Menu**

**Pork Escalopes w/Mushrooms**

**Cost**

**\$10 Members \$18 Non-Members**

**Time**

**11:30 a.m.**

*If you have special dietary needs, please give a 48-hour notice by calling the Swedish Club at (206) 282-5903.*

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# ON THE DOCKET

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**Jesse Williams** ..... Golf Tournament Chair  
*Classic Claims Service* Office: 425/379-0485

**Bob Jeans** ..... Tennis Tournament Chair  
*JMW Settlements Inc.* Office: 425/396-4344

**David Kean** ..... Bowling Tournament Chair  
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Date	Speaker/Topic	Menu
Feb 18	<b>SCAA Meeting — Charity Month</b> Check our website for updates	Pork Escalopes w/ Mushrooms
Feb 18	<b>Bowling Tournament</b> Directly following our monthly meeting at Sunset Bowl in Ballard	—
March 11	<b>SCAA/TCAA Annual Spring Seminar &amp; Vendor Fair</b> (No regular meeting in March)	See website for more info

### Meeting Information

Please keep in mind that we'd like to start and end promptly during our monthly meetings. Here is the timeline for each meeting:

- 11:30 a.m. Registration
- 11:45 a.m. Buffet
- 12:00 p.m. Meeting Called to Order
- 1:00 p.m. End of Meeting

Please arrive on time and have your cash or check (payable to SCAA) ready. We appreciate your cooperation and assistance.



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## President's Corner

— by C. Annette Grace, President



### Happy Valentine's Day!

Valentine's Day is not just for Lovers but for loved ones as well! This Valentine's Day why not show those that you love — especially your children and/or family — just how much you love them, by engaging in more family talk time. By doing, so you will not have to wait until February 14 to tell them you love or care for them. Family dinners seem to be a thing of the past with our often overloaded busy schedules.

### Family Talk.....What's on your dinner plate?

Did you know that **making time for family dinner is one of the great ways to stay connected to your kids and family?** Research shows that spending time together as a family, including over meals, is crucial to the overall well-being of children. It helps them develop healthy eating habits and progress well in school. Don't let the TV be an uninvited guest at your dinner table. Use the time to talk without the TV.

Here are some conversation starters to ask your kids:

- If you could have three famous friends, who would they be?
- What is the best way to apologize to someone?
- If you could go anywhere in the world, where would it be and why?
- If you could trade places with any person for a month, who would it be?
- What advice would you give your younger brother/sister upon entering grade school, high school, or college?
- What makes someone (child/teenager) popular today?

## Blue Bucket Drawing



January's winner was past president **Merton Buckley**, however, since he was not present, the pot increases to \$100 for February. Must be present to win the next drawing on February 18!

## January Winner's Circle

\$50 Adjuster/Member Drawing

**George Gombasy**

*North Pacific Insurance*

\$25 Vendor Drawing

**Geoff Culbertson**

*DHR*



### Case Study

## Property Damage How to Calculate Damages to Real Property

— by Jennifer Krumm

Imagine: Your insured negligently causes his neighbor's house to burn down. The house was only worth \$150,000, but it is going to cost \$500,000 to rebuild it. The neighbor makes a claim against your insured's insurance policy. How much is the claim worth — \$150,000 or \$500,000?

Well, according to a new case, the claim could be worth either amount. This is because, according to the court's opinion, the jury gets to decide how to measure damages when real property has been destroyed.

In Thompson v. King Feed & Nutrition Service, Inc., \_\_\_ P.3d \_\_\_ (Wash. Supreme Court 1/21/05), the plaintiffs rented a barn to the defendant. In August 1998, the barn was completely destroyed by fire. The plaintiffs sued the defendant, claiming that the cause of the fire was spontaneous combustion due to the defendant's negligent storage of wet hay.

The case went to trial. With respect to the issue of damages, the plaintiffs called several experts, including a real estate agent, a general contractor, and a real estate appraiser. The agent testified that the rental value of the barn was \$2,500 per month and

*(See Case Study... continued on page 4)*



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## Case Study...

*(Continued from page 3)*

the value of the barn itself was \$400,000. The contractor testified that the cost of rebuilding the barn would be more than \$500,000. The appraiser testified that the barn contributed a value of \$300,000 "more or less" to the overall value of the plaintiffs' 15-acre property. In rebuttal, the defendant called a real estate sales associate, who testified that the barn added \$100,000 to \$110,000 to the overall value of the plaintiffs' property.

The jury ultimately returned a verdict awarding the plaintiffs \$300,000 in damages.

The defendant appealed, arguing that the trial court should have given WPI Instruction 30.11, which states that the measure of damages to personal property is the lesser of: 1) the reasonable cost of repair; or 2) the lost fair market value of the property.

The Washington Supreme Court concluded that the trial court properly refused to give Instruction 30.11. The court noted that 30.11 only applies to personal property, and that when dealing with the destruction of real property, a jury has the right to decide what measure of damages to apply (*i.e.*, the jury can decide to award damages for the lost value, the cost of rebuilding, etc). ❖

**Adjusting Pointer:** In a case involving the destruction of real property, a jury can choose how to calculate the plaintiff's damages by using the meaning of the reasonable cost of repair or the reduction of the fair market value to the property.

— *If you want to be notified of new cases, please send an email to [caseupdate@smithfreed.com](mailto:caseupdate@smithfreed.com) or visit our website at [www.smithfreed.com](http://www.smithfreed.com).*

## Adjustments

If you have any questions and/or any "Adjustments" please contact **Jay Jared**, *Cunningham Lindsey* at  
 Phone: 425/672-0160 Fax: 425/672-0106  
 Email: [mjared@na.cunninghamlindsey.com](mailto:mjared@na.cunninghamlindsey.com)

## Proposed Automated Claim Service

Hello. Welcome to Triple X Auto Insurance Automated Claims. Para Espanol, marque el ocho.

If you would like to advise us the that accident was not your fault, please press 1.

If the accident is because the other car came out of nowhere, please press 2.

If the accident is because the other car was speeding, although you never saw it, please press 3.

If you believe the adverse independent witness is involved in a plot against you, please press 4.

If a hit and run vehicle shaped like a pole, a curb, or covered in stucco, hit your vehicle, please press 5.

If you have minor rear end damage and would like a new transmission and/or a new stereo system, please press 6.

If your vehicle had a \$5000 stereo system and all the receipts for it were inside the glove box, please press 7.

If you are calling to tell us that the other party could not have been injured, please press 8.

If you are calling to make us aware that \$16 per day does not cover the cost of a rental car, please press 9.

If you regret choosing a high deductible, not purchasing rental coverage or not paying for higher liability or UM limits and would like us to deduct a lower amount, extend a coverage you don't have, or raise your limits to a more convenient level, for a loss which has already occurred, please press 10.

If you do not plan to pay additional premium for your lower deductible or additional/higher coverages, please press 11.

If you wish to insist that we meet you at an accident scene, although it is completely obvious that you are at fault, please press 12.

If you are calling to tell us how many years you have been with Triple X Auto Insurance and request that we therefore find you were not at fault for an accident, please press 13.

If you were served with a lawsuit two months ago and forgot to tell us, please press 14.

If we have been trying to reach you for months, and it is now Friday afternoon at 4:56 pm, and you are calling to demand immediate assistance, please press 15.

Please be aware that in the interests of customer service, we have discontinued the "live employee" pilot program. All claim services are now automated. Thank you for calling Triple X Auto Insurance. This message will repeat.

## Check Out [www.dogbitelaw.com](http://www.dogbitelaw.com)

Dog bites are a significant national health problem in the United States and other countries. Here are the startling USA basics:

- The numbers. There are almost 5 million dog bites per year. About 800,000 victims per year require medical treatment. 1,000 dog bite victims per day are seen in hospital emergency rooms. Dog bite losses exceed \$1 billion per year, with \$345 million paid by insurance.
- Kids are the main victims. More than half of the victims who receive medical attention are children — most of whom are bitten in the face. The attacking dog usually is owned by the victim's family, a friend or a neighbor. For children, dog bites now cause more emergency room visits than any other activity except playing baseball and softball.
- The problem is growing. A 10-year study showed that the number of dog bites rose 33%, while the number of dogs kept as pets increased by only 2%. The property/casualty insurance industry paid \$250 million on dog bite claims in 1995, \$310 million in 2001, and \$345.5 million in 2002 (additional payments were made under other insurance policies, such as health insurance).

This is a non-commercial website, authored by the nation's leading legal expert in dog bite law. Reviewed as "the most effective lawyer website on the internet ... has everything anybody ever wanted to know about the violent side of man's best friend and the legal consequences thereof."

The most extensive resource for dog bite victims, dog owners, parents, journalists and others needing to learn about the legal rights of victims, how to protect children, and other aspects of the dog bite epidemic.

[www.dogbitelaw.com](http://www.dogbitelaw.com)

**Gear up for**



**2 SCAA Tournaments  
scheduled for  
February 18 & April 15  
Sunset Bowl in Ballard  
\$20 per person  
See our website for February sign up**



"What has two legs and can be seen running fast every third Friday of the month? An adjuster on their way to an SCAA meeting!"

**February 18 — Be there!**