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**BUREAU CIRCULAR NO. 722**

To All Members of the Bureau:

Re: **MANUAL REVISIONS - CODE 306, WOOD TURNED PRODUCTS MFG.,  
AND CODE 323, FURNITURE MFG. - WOOD  
BUREAU FILING NO. 9906 AS AMENDED  
EFFECTIVE DECEMBER 1, 1999**

The Bureau previously filed and the Insurance Commissioner approved Manual revisions to Sections 2 and 5. As rating values consistent with these revisions were to be derived from the Bureau's October 1, 1999 Residual Market Rate and Voluntary Market Loss Cost Filing, No. 9909, the original effective date for Bureau Filing No. 9906 was October 1, 1999. The effective date for Bureau Filing No. 9909 has subsequently been amended to December 1, 1999 and, therefore, the Bureau has filed and the Insurance Commissioner has approved an amendment to Bureau Filing No. 9906 to establish its effective date as **12:01 a.m., December 1, 1999** with respect to new and renewal business only.

These revisions result from a Bureau study which was undertaken pursuant to the Bureau's underwriting analysis that had found Code 323 to be overly broad. The study's objective was to review the feasibility of reassigning the manufacturers of non-furniture wood products and non-furniture/non-wood products from Code 323 to another, more appropriate Bureau classification(s). Code 306 was added to the study pursuant to the Bureau's review of classification procedures in other states, which had indicated that many of the non-furniture wood products assigned to Code 323 and the manufacture of wood turned products were assigned in most other states to a single class, i.e., Woodenware Mfg., N.O.C.

The study recommendations, which were approved by the Insurance Commissioner, included the following:

1. Pattern manufacturing and related products be reassigned from Code 323 to Code 441, Tool Mfg., N.O.C.
2. Wood ladder and window screen manufacturing be reassigned from Code 323 to Code 305, Carpentry Shop.

3. Artificial Christmas tree manufacturing be reassigned from Code 323 to Code 457, Wire Goods Mfg.
4. Woodenware manufacturing not otherwise classified be reassigned from Code 323 to a new, separate Code 309, Woodenware Mfg., N.O.C.

The enabling Manual revisions to Sections 2 and 5 are shown below with deleted wording bracketed and new wording underlined:

## SECTION 2

309 WOODENWARE MFG., N.O.C.

HAZARD GROUP: II

## SECTION 5

### Rulings and Interpretations

#### FURNITURE MFG. WOOD - 323

~~[This classification applies]~~Applicable to [risks] employers principally engaged [principally] in the manufacturing of individual completed wood furniture pieces or sets including but not necessarily limited to: ~~[sets such as]~~ bedroom, living ~~[and]~~or dining room pieces or sets, office furniture, billiard tables, console-type ~~[phonograph, radio]~~ audio or television cabinets, pianos or piano cases, juvenile or nursery furniture, lawn or garden furniture, frames for upholstered furniture, occasional tables, chairs, desks~~[,]~~ or wardrobes ~~[and other similar free-standing furniture items].~~

~~[The operations included in t]~~This classification contemplates both the fabrication of the various parts on woodworking machines and the subsequent assembly of the components into completed furniture. Also included is the furnishing by staining, painting, varnishing, lacquering~~[, and]~~or polishing. In addition, hardware such as hinges, pulls, locks~~[, and]~~or casters ~~[are]~~may be attached. ~~[This classification also applies to the repair of furniture when it is necessary to machine new parts as replacements for damaged or broken units. Upholstering of new or used furniture conducted by a separate employee crew in a physically separate department should be separately classified under Code 327, Furniture Upholstering. The manufacture of furniture parts which are not assembled into completed furniture by the same risk is assignable to Code 305, Carpentry Shop, for non-turned furniture parts or to Code 306, Wood Turned Products Mfg., for all turned furniture stock.]~~

Also applies to the repair of furniture when it is necessary to machine new parts as replacements for damaged or broken parts.

Upholstering operations conducted by a separate crew of employees in a physically separate department shall be assigned to Code 327.

The manufacture of furniture parts which are not assembled into completed furniture by the same employer is assignable to Code 305 for non-turned furniture parts or to Code 306 for all turned furniture stock.

### Underwriting Guide

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Approved rating values effective December 1, 1999 on new and renewal business only for the classifications referenced in this circular are included in the announcement of approved residual market rates and voluntary market loss costs for all classifications (see Bureau Circular No. 721 issued concurrently with this circular).

Manual reprints will be distributed at a later date in the usual manner.

Timothy L. Wisecarver  
President

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