

Jury punishes insurer, awards couple \$1.1M

Six years after fire razed their store, insurance company ordered to pay original claim, damages

BY HEATHER SOKOLOFF

A Southwestern Ontario couple was awarded \$1.1-million by a jury after exhausting their life savings battling the insurance company that accused them of setting fire to their family-owned furniture business six years ago.

Superior Court in London, Ont., ordered Wawanesa Mutual Insurance Company to pay Terry and Cecile Plester \$500,000 to cover the original claim, plus \$525,000 in aggravated and punitive damages.

For Terry Plester, of Ingersoll, the victory is bittersweet. His father, Norman, died three years ago of a heart attack, before he was able to clear his name, at age 71.

"The important thing is that the cloud of suspicion hanging over my father's grave has been lifted," he said.

Norman Plester was posthumously awarded \$131,000 in a separate claim — \$31,000 for his lost business, and \$100,000 in punitive damages.

The family will use the money to rebuild the store exactly as they had it before.

The Plesters' ordeal was known to most in the small town. The same local newspapers that had published stories in 1997 about the family's purchase of a vacant 150-year-old building, slated for the wrecker's block, to house the new furniture store — an event that contributed to the revitalization of Ingersoll's downtown — switched in 1997 to writing stories about how the Wawanesa Mutual Insurance refused to compensate the family for the destruction of the popular store, Oak House Furniture Company.

The burnt-out building on King Street, a former stage coach station, was a constant reminder to passersby that the Plesters had been accused of committing arson.

"There has not been a day that has gone by when I haven't asked myself, 'Why is this happening to me?'" Terry Plester said.

Terry, 48, and his wife, Cecile, 45, bought the retail arm of Norman Plester's furniture business in 1992, for \$10,000. Two years later, the couple bought the building on King Street for \$80,000, and renovated the property with a \$125,000 bank loan. The two worked around the clock painting the inside of the building and sanding the floors. To finish the renovations, they took out a third mortgage for \$25,000, an amount they paid off in \$1,000 increments in 25 months.

The business was going well and the Plesters were able to pay down their debt. The store quickly became known as a quality place to buy mattresses, solid oak tables or antique reproductions for reasonable prices. Norman Plester moved into the building to operate his wholesale furniture business. His wife, Lena, worked in the main showroom. On weekends, Terry's two children, Andrew, 21, and Carrie, 18, helped out as well.

In 1996, the Ingersoll Chamber of Commerce voted Terry Plester businessman of the year. He received a letter of congratulations from Mike Harris, then premier.

But one year later, both the letter and the plaque from the Chamber of Commerce were burned beyond recognition in a fire in the middle of the night, during an ice storm.

The local fire marshal ruled the blaze was caused by arson.

Gregg Hanson, president and CEO of Wawanesa, defended the insurance company's actions. "The evidence was very compelling for arson."

"We settle tens of thousands of claims across Canada in a very prompt and fair fashion."

The company has 30 days to appeal the decision.

According to Alf Kwinter, the family's lawyer, Wawanesa failed to investigate the fire properly when it occurred, labelling it arson and plunging the family into years of court proceedings to try and recoup their loss.

"They should have paid this money within three months of the loss and let them rebuild and carry on," he said.

Mr. Kwinter also condemned the insurance company for hiring a private investigator to uncover details about the family this weekend before the trial.

During the five-week trial, Wawanesa's lawyers called at least 10 of the Plesters' friends, including the organ player at their church, as character witnesses. The lawyers wanted to know if their opinion of the family had changed after learning the Plesters put aside \$200 in cash from the store a week to buy groceries — an

amount the couple never declared as taxable income, Mr. Kwinter said.

"They took on a \$2-billion company and won. But how many families could do that? Usually they fight you until you go away. Norman couldn't outlive them," he said.

This is the latest significant sum awarded against an insurance company. A year ago, the Supreme Court of Canada awarded \$1-million in punitive damages to Keith Whiten and his wife, Daphne, whose home was destroyed by fire in 1994. The largest previous punitive damages award in a similar case was \$15,000.

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