

Farmers' Mutual Insurance Company of Noble County

Founded: 1892

Location: Home of J. C. VanGorder, Avilla (1892–1901); home of Alfred H. King, Avilla (1902–3); home of R. J. Stewart, South Main Street, Kendallville (1904–22); home of Maurice E. Sherman (1923–36); home of Maurice E. Sherman, Avilla (1937–47); home of F. J. Meyer, Van Scoyoc Street (1948–72); home of Rosalyn Meyers, Road 900 East, Allen Township R. 1, Avilla (1973); Old Bank Building, Albion Street (1974–79); 119 North Main Street (1979–)

Eleven Noble County farmers who believed that there was a need for a less-expensive insurance company in their community formed the Farmers' Mutual Fire Insurance Company of Noble County on 23 February 1892. One of the early advertisements for the business boasted that farmers who were paying as much as \$1.50 per \$100 of insurance could switch to the new mutual company and save \$1.40 per \$100. In typical Grange or Populist fashion the advertisement also mentioned that with the home-based company “not a cent goes to foreign or eastern capitalists.” With lower rates for insurance and some Populist rhetoric, the company succeeded and prospered. The mutual insurance firm appointed township representatives and hired an actuary. By the end of the first fiscal year the company had over \$300,000 worth of policies in force and 260 members.

The company was part of a movement in the late 1880s and 1890s that sought to shield farmers from what were seen at the time as problems caused by urban institutions, including national banks, railroads, and big businesses headquartered on the East Coast. Farmers believed, with some justification, that they were being overcharged for services, but were purposely underpaid for their produce, in part due to the influence of the aforementioned institutions. Beginning with the Grange in the 1870s, farmers began creating their own businesses, which they hoped would be able to bypass or would at

least be powerful enough to negotiate with the nonagricultural sectors of society. Later, an association of farmers' insurance companies was created to help the fledgling organizations study ways to cut costs and prevent accidents. In this atmosphere the farmers of Noble County organized a mutual insurance company.

The first officers of the company, all of whom had helped to found the mutual association, set the precedents that would be followed for almost a century. Peter L. Crawford served as the first president of the company until stepping down in 1905. Like many small, rural insurance companies, the office of the Farmers' Mutual Fire Insurance Company of Noble County was located in the secretary's home. As the company's first secretary, Joel C. VanGorder, a farmer and schoolteacher, oversaw the daily affairs of the mutual company during its first decade. John Aman remained as treasurer of the concern until 1910, and Thomas Kelham sat as the vice president until 1904. The president and vice president were not paid for their positions in the beginning. Only the secretary, treasurer, and the agents were paid, but they were given only a small commission for each policy sold.

The home office of the mutual company remained in Avilla until R. J. Stewart was elected the secretary in 1904, when it was moved to his home in Kendallville. In 1937 Maurice E. Sherman moved from Kendallville to Avilla; the headquarters of the Farmers' Mutual Fire Insurance Company moved back to Avilla with him, where it has remained ever since.

Longevity has been the rule for most officeholders during the history of the business. After short stints by Alfred H. King and Thomas L. Imes, George W. Taylor served as president for twenty-one years beginning in 1910. Ed Mertz held the office for

the entire decade of the 1950s, and David Horsewood was president from 1960 to 1976. Secretaries retained their posts even longer than most presidents, possibly because it was a somewhat lucrative, if challenging, position. R. J. Stewart ran the company from 1904 to 1923. His successor, Maurice E. Sherman, held the office until 1948. F. J. Meyer served as the secretary from 1948 through 1972, simultaneously holding the post of treasurer after 1952. Bernard Savoie took over the secretary's duties in 1979, an office he continued to hold in 1999.

The organization was created primarily to protect farmers from the consequences of fire and lightning, but sometime after 1892 the company added "cyclone" coverage, dropping it, probably because of its expense, in 1945. As property values increased, the company sought partners to help share the potential costs of replacement. In 1947 it began coinsuring certain properties with the Farmers' Conservative Mutual Fire Insurance Company. Services increased slowly after 1950. In the early 1960s blanket farm policies began to be offered. By 1973 Farmers' Mutual was writing combination policies. The 1980s brought the introduction of investment planning services.

The 1950s proved to be a time of growth for the business, which led to increases in pay for executives of the company and agents. Pay for agents rose from 25 to 50 cents per application in 1950. A year later the firm began subsidizing the local fire departments, paying \$35 to any agency that responded to a call from one of their customers. That was increased to \$50 per call for rural residents in 1952. In that year agents were given a 50-cent increase per application, and the president began receiving a salary of \$200 per year. The secretary's office was combined with that of treasurer and the person was paid \$300 a year plus mileage and telephone costs. By the end of the

1950s the secretary's pay equaled \$1,500 a year. The firm also moved beyond simply providing fire insurance to offering wind and personal property policies.

On the company's seventy-fifth anniversary it could boast of having 1,624 members. After 1973 the business became more stable with the rental of a permanent office that provided a place to meet and space for agents and executives. Five years later the company constructed its own building on Main Street in Avilla at a cost of \$52,000. With the new exposure the number of policies increased. In 1978 alone the firm added \$13 million in insurance policies.

In part because of the added business and new home, the company was forced to hire permanent staff and rework old positions. The name of secretary was changed to manager in 1976, and the duties of treasurer were again separated. To reflect the diverse services it offered, the firm changed its name by dropping the word "fire" from its title in March 1991. A year later it added automobile coverage to its line of services, written through Buckeye State Mutual Insurance Company. Also in 1992 the Buckeye Insurance Company of Ohio bought stock in the Home and Farm Liability Company, a division of Farmers' Mutual, later relocating it to Piqua, Ohio. In 1999 Farmers' Mutual, headed by Doug Burnworth, offered not only fire insurance, but also automobile, liability, and homeowners and farmowners policies.