

In 1876, The Van Wert County Mutual Fire Insurance Company was born. The capital stock was \$50,000, and within just a few months the company had 235 member insureds. The company's first Secretary, G.A. Sahlquist, died within six months of taking office. His successor was Minor LaDoyt Purmort, who served for 11 years.

As the company's financial base grew, Bill says, "Policies were sold beyond Van Wert County. Over the years, lines of business, including automotive and casualty policies, were added."

Frank W. Purmort was the company's Secretary from 1888 until 1908, when his brother, Clyde A. L. Purmort, assumed that position. He led the company as Secretary and President until the end of 1931. In 1932, new President Charles M. Purmort assumed the leadership role at the company, succeeded in 1939 by LaDoyt G. Purmort.

In 1960, LaDoyt's brother, F.W. Purmort, was named company President, and in 1964 his son, F.W. Purmort, Jr. assumed that role. He managed the company until his own son, Bill, began his current tenure as President in 1994.

"When my father was President, it was a time of significant change for the company," Bill says. "By the mid-1960s, Central was on the verge of bankruptcy, and management philosophies were changing. The company had \$15 million in revenues and 4,500 agents across all 50 states and 2 provinces in Canada. He took the leap to the new business model that emphasized budgets, plans, objectives and focus. He traveled to meetings with the identified agents who were the company's strongest partners."

Bill joined the company in 1979 after he completed college with a management major. He became the seventh generation of Purmorts in the company's history.

"I started as an underwriter," Bill says. "Long-term employees supported me as I moved through the company, and they gave me a chance."

Shortly after Bill joined Central Insurance Companies, it struggled through the economic changes of the 1980s. The company survived, but Bill says "it was painful."

After a series of management positions, in 1989, Bill was named Secretary of the corporation. That, he says, put him "on the board, where I learned how the corporation itself worked. I already knew the day-to-day operational side of the company. I was able to see strategic efforts and learn how policy was developed. I saw how all the strategy and planning fit together."

As a board member also working in regional management, Bill says he saw both sides of another corporate change in 1990 from a bottom-up to a top-down structure.

"We changed from having agents tell the company what their goals were to a company that set corporate strategy and goals, then told the agents what their goals were," Bill

says. “Over the years, that proved to be a positive decision. It enabled us to survive any downturns because we could minimize our losses.”

To support that strategic change, Bill says the company then externalized its commitment by again investing in agents who were true partners.

“We partnered strongly with our agents to help them be successful,” Bill says. “Today, we have kept the company’s focus on partnerships, which is why we are actively writing policies in 19 states and partnering with 450 agencies.”

In 1994, Bill became the company’s President and Chairman of the Board. Today, Central Insurance Companies has \$580 million in written premiums, \$1.4 billion in assets and \$533 million in its Policyholders’ Security Fund. The corporation is composed of five entities: Central Mutual Insurance Company, All American Insurance Company, CMI Lloyds, Central Insurex, and Security Central.

“Throughout our phenomenal growth over the past years, which I can’t take sole credit for, I am most proud of the fact that our corporate culture has been retained,” Bill says. “We know who we are as a company, and we do what we say we will. We make a promise when we issue a policy, and we fulfill that promise when a claim needs to be paid.”

Bill stresses the importance of the positive and cooperative culture that has been maintained, as well.

“We focus on how we treat people, our agents, our policyholders, and our staff,” Bill says. “We’re all on a first name basis, and we are cross-functional. Anyone can ask questions and offer suggestions, because we’re all in it together. The same applies to my management team; I have one vote, as do each of them.”

While including seven generations of the Purmort family, Van Wert, Ohio, has remained the Central Insurance Companies’ home base. The home office building, which opened in 1931 at a cost of \$430,000, including furnishings, still ranks as a showplace in the county. Constant care and preservation has kept the original architecture, furnishings, and appointments vibrant. Each subsequent expansion to the building has reflected that commitment.

“Our heritage is in Van Wert. We value the community and its people, who are the company,” Bill says. “Within our offices across the nation, including here in Van Wert, as well as in Georgia, Massachusetts, and Texas, 51% of the staff have 10 or more years with the company. It’s 70% for those with five or more years of service.”

The company’s future, Bill says, is “more of the same. We are in a difficult marketplace right now. Ours is a cyclical business, and we are nearing the bottom of a downturn.”

How is the company surviving as it prepares for the predicted industry upswing? By “investing in ourselves. Our strategy is to invest in our systems, our services, our staff, and our building so we are ready for the growth that will follow,” Bill says.

He is also mapping out the corporate strategy through which he can move the company forward.

“I have the strategy in place through 2010 right now, as we focus on holding the course today,” Bill says. “It takes discipline to sail through this challenging time, but I know that bending to pressures and compromising isn’t the right choice. Instead, I need to be continually ready with plans for the future.”

Another strategic component to his efforts is the perpetuation of the company into the next generation.

“I value the company’s culture and how it operates. I know we need people in line to perpetuate it, because there is not yet a next Purmort to assume the leadership role,” he says. “We need people who will continue to promote the company’s values and retain and further develop our internal corporate culture.”

As the company plans for its ongoing future, it remains a strong partner in the Van Wert community.

“We have almost 100% employee participation in the local United Way chapter, and the company matches those gifts. Added together, that is about \$120,000 each year given to support local agencies and organizations,” Bill says. “We also make a number of other investments throughout the year as we work with the community to support residents who are also our policyholders and employees.”

In addition to its charitable giving role, the company’s foundation also offers a scholarship program for children of employees and the community’s schools who study a curriculum that can be used within the insurance industry. Currently, 19 students are beneficiaries of these four-year scholarships.

Bill says Central Insurance Companies has chosen to be a good corporate citizen because “we take from the community, everything from employees to services like water and roads. We are consumers, so we need to also be contributors.”

Through everything it does, Central Insurance Companies is demonstrating the corporate values upheld by generations of the Purmort family: “Integrity of our decisions and actions, relationships with our customers, and excellence in our people and their ability to fulfill our promises to our agents and policyholders.”