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OREGON MUTUAL INSURANCE COMPANY

Spring 2015 Newsletter

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New in Commercial Lines

[READ >>](#)



Coming Soon – Washington Custom Shield

[READ >>](#)



Local War Hero Recognized

[READ >>](#)



Honoring 46 Years of Service

[READ >>](#)



Discounts Available to Agents

[READ >>](#)



Questions Answered - RAPA PL Auto Symbols

[READ >>](#)

NEW IN COMMERCIAL LINES

CYBERONE™ AND DATA COMPROMISE

Did you know that 55% of small businesses have suffered a data breach? Were you aware that 47 states, including all western states, have notification laws requiring those businesses to notify the affected individuals of the breach? But only 33% of the businesses breached notified their customers as required? The end result is that 50% of the customers consider leaving the business relationship.

Good news! Oregon Mutual now offers policyholders a solution. Effective April 15, 2015 for BOP and May 15, 2015 for General Liability we have introduced two new coverages, CyberOne™ and Data Compromise.

Both coverages will be added to all qualifying new and renewal BOP and General Liability policies at the basic \$50,000 limits. Higher optional limits are available for both coverages, and insureds will have the option to remove coverage(s) if they choose.

As an added value, policyholders will have access to e-Risk Hub, a self-service risk management resource providing insureds with valuable prevention and detection tools.

Check out our bulletins, #2354 BOP and #2356 General Liability, for additional details or ask your Agency Marketing Manager or Commercial Underwriter.

[CyberOne™ and Data Compromise Flyers](#)

LOWER RATES FOR EQUIPMENT BREAKDOWN COVERAGE

Effective May 1, 2015, pricing for Equipment Breakdown Coverage is reduced 3.15%.

This important coverage will be added to all qualifying new and renewal Commercial Property policies. However, the insured does have the option to remove the coverage. Learn more about equipment exposures, by industry, and view loss examples at <https://www.hsb.com/hsbiq/index.html>.

[SCROLL TO TOP](#)

CUSTOM SHIELD AUTO IS ON ITS WAY!

**COMING SOON!
CASH \$\$\$\$ FOR CUSTOM SHIELD®
PERSONAL AUTO IN WASHINGTON!**

[Click the shield to find out more.](#)



[SCROLL TO TOP](#)

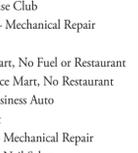
ONLINE TRAINING AVAILABLE

Convenient online training is available on BizLink™ for Commercial Lines - Businessowners, Commercial Auto, Cyber/Data Compromise, and in Personal Lines for Personal Auto and Homeowners.

The one hour training sessions are pre-recorded and demonstrate how to navigate through BizLink™ as well as rate and upload all of OMI's products offered through our online rating system. For your convenience we've broken out the trainings into sections. You can either view the full hour long session or go directly into the section that you need more information about - personal auto only, homeowner, etc.

The Cyber/Data Compromise session provides specific product background on OMI's newest Commercial Lines coverage offering.

[Click to view available sessions:](#)



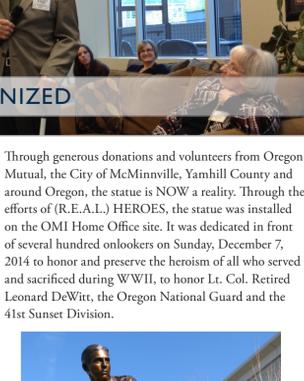
[SCROLL TO TOP](#)

Why not focus your production efforts where you are most likely to succeed? Below are OMI's top CL hit ratios by Business Class and State over the past several months.

Business Class	CA	ID	OR	WA
Apartments	39%	25%	37%	44%
Garage	51%		44%	41%
Farms	40%	33%	39%	46%
Hotels	34%		41%	48%
Lessor's Risk	31%	28%	37%	35%
Office	49%	33%	42%	52%
Restaurants	48%	44%	55%	49%

We have also had success in light manufacturing, condominiums, beverage distributors, and a wide range of retail and service related businesses.

FOCUSING ON SUCCESS



[SCROLL TO TOP](#)

RECENTLY WRITTEN COMMERCIAL LINES



Premium	Description
\$35,230	Condo Association, 35 Units – Built 1995
\$24,521	Hay, Row Crop, Cattle Farm
\$19,723	11 – 30 Unit Apartments – Built 2001
\$17,842	Casual Restaurant W/O Lounge – Denny's
\$11,766	Strip Mall – 10 Occupants
\$10,762	Fuel/Convenience Mart – No Restaurant
\$8,938	Auto – Delivery to Restaurants
\$8,289	Condo Association – Built 2014
\$7,970	Wood Products MFG – Cabinets
\$6,246	LRO – Industrial Office Park
\$5,176	Casual Restaurant with Lounge
\$5,176	Quilt and Embroidery Shop & Ed Center
\$4,786	Bakery – 2 Locations
\$4,781	Electrical Wire or Cable MFG
\$4,432	Health or Exercise Club
\$4,099	Garage Service – Mechanical Repair
\$4,098	Office Building
\$4,024	Convenience Mart, No Fuel or Restaurant
\$3,998	Fuel/Convenience Mart, No Restaurant
\$3,052	Print Shop – Business Auto
\$2,954	Bed & Breakfast
\$2,836	Garage service – Mechanical Repair
\$2,515	Beauty Parlor & Nail Salon

[SCROLL TO TOP](#)

LOCAL WAR HERO RECOGNIZED



Through his work with the Oregon Legislature in 2014, OMI's Chris McLaran had the opportunity to meet World War II hero Leonard DeWitt. Mr. DeWitt, who lives in McMinnville, is a decorated war hero who served in both World War II and Korea, having received a Purple Heart and a Distinguished Service Cross. He earned the Distinguished Service Cross fighting in the South Pacific with the 41st Infantry Sunset Division known as the "Junglers". In recognition for his valor, he earned his medal for successfully holding off a platoon of 100 Japanese soldiers. Chris met Leonard at the State Capitol in Salem as the legislators unanimously passed HR-17, which petitioned Congress to re-open Dewitt's nomination for the Medal of Honor.

[Watch this news story about Mr. Dewitt.](#)
[See More and Like R.E.A.L. Heroes on Facebook](#)

Through a bit of investigation, Chris discovered that Yamhill County did not have a WWII statue honoring the service and sacrifice of our WWII veterans. The story inspired a few in such a way that they created a not-for-profit called Recognizing Excellence and Leadership (R.E.A.L.) HEROES. They immediately began raising money to create a WWII statue of Leonard DeWitt in honor of our very own Oregon National Guard, 41st Division.

OMI employees had the privilege to personally hear the story of the 94-year-old war hero. On April 25, 2014 Leonard DeWitt was present to greet staff members and view the unveiling of the clay form of the statue. To help pay for the bronzing, Oregon Mutual allowed Chris to organize a Patriotic Salute to the Oregon National Guard in conjunction with the July 5, 2014 Salem/Keizer class A Volcanoes baseball game.

Through generous donations and volunteers from Oregon Mutual, the City of McMinnville, Yamhill County and around Oregon, the statue is NOW a reality. Through the efforts of R.E.A.L. HEROES, the statue was installed on the OMI Home Office site. It was dedicated in front of several thousand onlookers on Sunday, December 7, 2014 to honor and preserve the heroism of all who served and sacrificed during WWII, to honor Lt. Col. Retired Leonard DeWitt, the Oregon National Guard and the 41st Sunset Division.

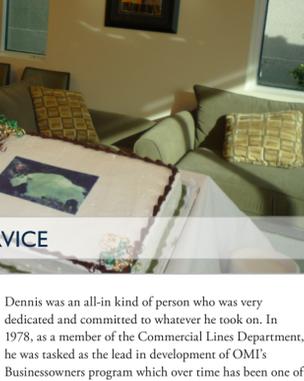
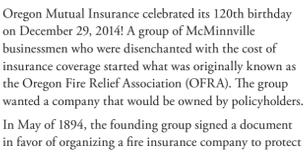


PHOTO CREDIT: SARAH HAFNER

The work of Chris to recognize those who served and sacrificed during WWII exemplifies OMI's Values of Respect and Citizenship. Thank you Chris, from all of us at OMI.

[SCROLL TO TOP](#)

DISCOUNTS AVAILABLE TO AGENTS - ENTERPRISE RENT-A-CAR AND NATIONAL CAR RENTAL



OMI has partnered with Enterprise Rent-A-Car to provide temporary insurance replacement vehicles. As a result, we are pleased to announce a new agreement

providing Oregon Mutual agents with special pricing, service, and speed-through service at Enterprise/National. [CLICK HERE FOR DETAILS](#)

[SCROLL TO TOP](#)

HONORING 46 YEARS OF SERVICE



On February 13, 2015, employees of OMI and agent guests had the rare opportunity to celebrate the retirement of a colleague who had spent over four decades (46 years) with the Company. Dennis McGanty, who is well known to many agents for his years as a dedicated Agency Marketing Manager working with OMI agents in Oregon and Idaho, called it a career.

Through the years Dennis wore many hats. He first came to OMI in 1968 through a high school work experience program, working afternoons following classes. His first duties were in the OMI mailroom, then expanding to assist in the print shop. However, after graduation Uncle Sam called. But following a stint of training with the National Guard, Dennis returned to OMI full time in 1969, marking the official beginning of his 46 year career.

When asked, Dennis notes automation as the biggest change during his time with the Company. "In the early days, policies for the most part, were all manually rated and communications to agents hand written or dictated and transcribed. Now, everything in some manner is tied to automation which looks much different from the key punch cards we used during the early days of OMI," said Dennis.

Dennis was an all-in kind of person who was very dedicated and committed to whatever he took on. In 1978, as a member of the Commercial Lines Department, he was tasked as the lead in development of OMI's Businessowners program which over time has been one of OMI's most successful product lines.

Like many OMI employees in the company's legacy, Dennis joined the local volunteer fire department in the early '70s. This turned into a 40-year commitment of community service, functioning in many capacities including several years as president of the volunteers.

Dennis was also all-in when it came to the relationships he managed with his assigned agents. He was a strong supporter of independent agents and worked closely with their trade associations. On five occasions he was recognized by the Idaho or Oregon associations as their Company Person of the Year, and in 1991 he received the PIA's National Company Person of the Year award.

Please join us in wishing our colleague and friend the very best in retirement.

[SCROLL TO TOP](#)

OMI CELEBRATES 120 YEARS

Oregon Mutual Insurance celebrated its 120th birthday on December 29, 2014! A group of McMinnville businessmen who were disenchanted with the cost of insurance coverage started what was originally known as the Oregon Fire Relief Association (OFRA). The group wanted a company that would be owned by policyholders.

In May of 1894, the founding group signed a document in favor of organizing a fire insurance company to protect its members. All signers agreed they were ready to become members. A constitution and bylaws were developed and adopted in September and on December 29, 1894 the Articles of Incorporation were signed.

The company started with assets estimated at \$300. Sources of revenue were assessments to members to cover claims and expenses. Initially, Frank J. Martin rode his bicycle around the county selling policies. He sometimes accepted eggs and chickens, instead of money, to pay for the coverage. Within six months the association had over 320 members. When the company incurred its first loss, a \$700 fire, Company Treasurer Charles Grissen borrowed money on a personal note to pay the entire loss.

[Dates of Interest in OMI History](#)

To celebrate the occasion, on December 29th, company management met in the historic original building with important agency representatives that have worked with OMI for decades. President and CEO Brian Steffel commented, "My colleagues and I see our time with the company as one of stewardship. We inherited a company that has seen much, endured much, and changed much."

Steffel added, "But while we want to grow and be profitable in order to create more opportunities for our employees and their families, at the heart of everything we do is a desire to be true to the legacy of the mutual company we inherited and will pass on. That is a company that thinks about the products and services it provides to its members (policyholders) and wants them to be superior. We are driven by our desire to live up to our heritage and our values, Integrity, Respect, Innovation, Independence and Citizenship."

After 120 years of winter storms, wildfires, countless adverse weather and other unexpected accidental events, the men and women of Oregon Mutual are still driven to serve their agents and mutual company members.

[SCROLL TO TOP](#)

HAVE QUESTIONS ABOUT THE NEW ISO RAPA PERSONAL AUTO SYMBOLS?

Late in 2014, OMI began using ISO's new Risk Analyzer Personal Auto symbols or RAPA symbols. RAPA represents a significant evolution in the accuracy of vehicle rating by using vehicle characteristics to predict collision and comprehensive losses. The symbols consist of relativities and components with separate frequency and severity models for collision and comprehensive coverages.

However, because the rate impact to insureds varies by vehicle, some agents and policyholders have asked why. Here are some factors that RAPA uses to develop the new symbols:

For each coverage, the set of relativities include:

- price new relativity
- model year relativity
- ISO Risk Analyzer Personal Auto Symbol relativity

The comprehensive components include:

- theft (including vandalism and fire)
- weather (wind and water, excluding catastrophic losses)
- animal
- glass
- all other perils

The collision components include:

- body style and dimensions (such as curb weight, bumper height, size dimensions, and body style)
- performance and safety features (such as airbags, engine displacement, and horsepower)

The vehicle characteristic include:

- physical characteristics – weight, dimensions, center of gravity, body style, and bumper height
- performance – engine size, horsepower, acceleration and braking times
- safety and crash test ratings
- features – anti-lock brakes, daytime running lights
- other – price new and coverage specific data, such as theft rate

By switching to RAPA Oregon Mutual gains a more robust model to help classify, segment, and price personal auto insurance risks with confidence.

[SCROLL TO TOP](#)