

More than a promise . . .



Ohio Mutual Insurance Group

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RE: President's Report – 2007

To our Policyholders, Independent Agents, Business Partners, and Associates:

It is with great pride to inform you that your company had another successful year in 2007. As you know, “success” can be measured in many different ways, one of which is continuing to contribute to our “policyholders surplus account”, which is the insurance term for “net worth”. In 2007, this account increased by 7.6% to \$114.9 million. This also represents an increase of over 70% in the last 5 years.

Why is this important to you? This strength of this figure is what support the promises made by our agents to policy holders each day, and each time it grows, it provides even more security to you of our ability to keep our promise. The first strategic objective in our Guiding Principles indicates that our ultimate objective each year is to generate an underwriting profit which enables the financial security for our policyholders. (For a closer look at these Guiding Principles, please [click here](#).)

Another financial record was achieved in 2007 when total assets of the company increased to just slightly less than \$250 million. This is another milestone in which we are quite proud, and it continues to reinforce the growing financial security of our company to our policyholders.

A third measure of success in 2007 was the 8.3% growth in premium (sales) to reach \$138.6 million in total premium for the year, which was led by a 5.8% increase in the number of customers who became policyholders of our company in 2007. Now at over 187,000 total customers, this shows that more and more people found value in the products and services we provide.

Our operating territory officially expanded beyond simply Ohio when we made a very successful entry into Rhode Island in April, offering commercial lines products to customers in that state through 14 professional independent agents. These expansion efforts have continued with the introduction of farm products into Nebraska and Kansas in the fourth quarter that will become effective in 2008. The importance of this to our policyholders is that with each area of geographic expansion we undertake, we become less dependent on one single state – which only strengthens the organization.

We look to 2008 with great optimism. Yes, there are challenges present in every initiative we undertake, but we have proven over these past few years that the team of agents and company associates can respond in an appropriate way.



To all our policyholders who have trusted our company with your insurance protection, I am very grateful and appreciative of your support. We continue to search for ways to make your experience with us a positive one. We can assure you that our attention is focused each day on keeping the company financially impregnable so you can always count on us to be there when you need us.

I sincerely thank our more than 300 independent agents who represent us so professionally each day. We continue to remain convinced that the quality advice and counsel that our agents provide each day is what sets them apart from any other distribution channel.

I also want to thank our business partners who by their support, advice, and products help to make the Ohio Mutual Insurance Group a high quality insurance provider.

Finally, I sincerely thank our more than 180 associates who come to work each day with an attitude that embraces our new brand: Passionate – Innovative - Partnership. They are wonderfully dedicated people who help make our company so special, and they look forward to making each experience you have with us a positive one.

James J. Kennedy, CPCU
President and Chief Executive Officer